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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/052,608	01/18/2002	Lee Macklin	10011295-1	2966

7590 04/11/2008
HEWLETT-PACKARD COMPANY
Intellectual Property Administration
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EXAMINER

NEWTON, JARED W

ART UNIT	PAPER NUMBER
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3693

MAIL DATE	DELIVERY MODE
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04/11/2008

PAPER

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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 10/052,608
Filing Date: January 18, 2002
Appellant(s): MACKLIN ET AL.

R. Ross Viguet
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed January 14, 2008 appealing from the Office action mailed September 19, 2007.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is substantially correct. The changes are as follows:

The recitation, "Claims 10-20 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent 6,401,079 (filed Oct. 1, 1999, issued Jun. 4, 2002) to Kahn et al. (hereinafter "Kahn")." (Appeal Brief, page 4), should be replaced with the following:

"Claims 10-20, 22 and 23 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent 6,401,079 (filed Oct. 1, 1999, issued Jun. 4, 2002) to Kahn et al. (hereinafter "Kahn")."

WITHDRAWN REJECTIONS

The following grounds of rejection are not presented for review on appeal because they have been withdrawn by the examiner:

The rejection of claims 21-23 under 35 U.S.C. § 112, First Paragraph are withdrawn.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

5893080	McGurl et al.	4-1999
6401079	Kahn et al.	6-2002
6032133	Hilt	2-2000

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claims 1-3, 8, 9 and 21 are rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,893,080 to McGurl, et al. (hereafter McGurl).

In regard to claim 1, McGurl discloses a network based payment processing system comprising:

an input process configured to receive disbursement requests (col. 2 lines 49-52);

an authorization process configured to apply predetermined rules to control verifying proper authorization of said disbursement requests (col. 4 lines 18-23, col. 6 lines 6-13; col. 6 lines 28-32);

an accounting process configured to track parameters pertaining to the fulfillment of authorized ones of said disbursement requests (col. 5 lines 36-41, col. 6 lines 28-32, col. 6 lines 39-41); and

an output process configured to process said disbursement requests for payment (col. 5 lines 13-36).

In regard to claim 2, McGurl discloses the network based payment processing system of claim 1, wherein said input process includes a communications interface to an intranet (col. 3 lines 27-38).

In regard to claim 3, McGurl discloses the network based payment processing system of claim 1, wherein said input process includes a graphical user interface (col. 3 lines 55-59).

In regard to claim 8, McGurl discloses the network based payment processing system of claim 1, wherein said output process is further configured to initiate an electronic fund transfer to effect said payment to a recipient (Fig. 1 item 34; col. 4 lines 54-59).

In regard to claim 9, McGurl discloses the network based payment processing system of claim 1, wherein said output process is further configured to generate a

negotiable instrument in a tangible form to effect said payment to a recipient (Fig. 1 item 36; col. 4 lines 54-59).

In regard to claim 21, McGurl further discloses at least one individual user originating the disbursement request at the receiving means 12, and then the authorization (i.e. the determination of whether the disbursement request is permitted to pass) is accomplished by a second individual, the generator means 18 (see col. 4, lines 16 – 32).

Claims 10-20 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,401,079 to Kahn, et al. (hereafter Kahn).

In regard to claim 10, Kahn discloses a network based method of disbursing funds, said network based method including the steps of:

- receiving a disbursement request (Fig. 3 item 1110; col. 18 lines 30-32);
- applying predetermined rules to authorize said disbursement request (Abstract; col. 15 lines 20-31);
- supervising the proper approval based on applied ones of said authorization rules (Abstract; col. 5 lines 25-35);
- tracking available funds from which said disbursement is to be drawn (col. 6 lines 8-23); and
- processing said disbursement for payment (col. 5, line 1 – col. 6, line 67).

In regard to claim 11, Kahn discloses the method of claim 10, wherein said disbursement receiving step includes the step of receiving said request over an intranet (Fig. 1 item 15).

In regard to claim 12, Kahn discloses the method of claim 10, and further discloses the step of presenting a graphical user interface to said requesting party (Figs. 5-46b).

In regard to claim 13, Kahn discloses the method of claim 10, wherein one of said predetermined rules denies authorization of said request when a requesting party is identical to a receiving party (col. 48 lines 9-14; col. 5 lines 47-51).

In regard to claim 14, Kahn discloses the method of claim 10, wherein one of said predetermined rules denies authorization of said request when said request exceeds a maximum authorization amount (col. 14 lines 56-59).

In regard to claim 15, Kahn discloses the method of claim 10, wherein one of said predetermined rules denies authorization of said request when said request is not complete (col. 17 lines 64-67, col. 18 lines 1-10; col. 40 lines 29-36).

In regard to claim 16, Kahn discloses the method of claim 10, wherein said step of tracking includes the step of tracking a plurality of disbursement categories (col. 24 lines 54-63).

In regard to claim 17, Kahn discloses the method of claim 10, and further discloses the step of transferring a payment via electronic fund transfer (Fig. 3 item 1160).

In regard to claim 18, Kahn discloses the method of claim 10, and further discloses the step of generating a negotiable instrument in a tangible form to effect said payment to a recipient (Fig. 3 item 1150).

In regard to claim 19, Kahn discloses a payment system comprising:

a web server configured to host a payment processing site for receiving payment requests (Fig. 3 item 1100, Fig. 1 item 15; col. 18 lines 17-32);

an authorization module configured to control proper authorization of said payment requests to provide approved payments (col. 54 lines 55-67, col. 55 lines 1-46);

an accounting module configured to verify fund availability and to track fund disbursement in connection with said approved payments (col. 50 lines 8-29; Fig. 43; col. 51 lines 64-67, col. 52 lines 1-34); and

a payment module configured to initiate payment to recipients designated in connection with said approved payments in response to said verification of fund availability and said proper authorization (Fig. 3 item 1140).

In regard to claim 20, Kahn discloses the payment system of claim 19, wherein said authorization module includes a routing module configured to obtain authorization of said payment from a number of authorization entities (col. 54 lines 55-67, col. 55 lines 1-46).

In regard to claim 22, Kahn further discloses at least one individual (i.e. an employee, etc. – see col. 5, lines 41-50) originating the disbursement request, and said rules including determining whether approval is required from at least one individual

different (i.e. the system of the invention – see Fig. 43; col. 49, lines 10-15) from said at least one individual originating the disbursement request.

In regard to claim 23, Kahn further discloses at least one individual (i.e. an employee, etc. – see col. 5, lines 41-50) originating the disbursement request and authorization module determining if approval is required from at least one individual different (i.e. the system of the invention – see Fig. 43; col. 50, lines 10-15) from said at least one individual originating the payment request.

Claims 4, 6 and 7 are rejected under 35 U.S.C. § 103(a) as being unpatentable over McGurl as applied to claim 1 above, and further in view of Kahn.

In regard to claim 4, McGurl does not specifically discloses the network based payment processing system of claim 1, wherein said predetermined rules include a rule denying authorization when a disbursement request has a requesting party that is not different from a designated recipient specified in said disbursement request. Kahn discloses such a system (col. 5 lines 47-51, col. 48 lines 9-14). It would have been obvious to one skilled in the art to combine these references because doing so gives the employer greater control over the payroll approval process, possibly preventing theft by employees. Kahn offers the motivation to combine, stating that the system creates security that allows the employer greater control the approval of payments to employees (col. 48 lines 9-14).

In regard to claim 6, McGurl does not disclose the network based payment processing system of claim 1, wherein said accounting process includes logic for

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tracking multiple awards to a particular recipient. Kahn discloses a system that allows for the tracking of multiple awards to a particular recipient (col. 11 lines 57-65, col. 12 lines 1-10). It would have been obvious to one skilled in the art to combine these two references because to do so provides systems users with greater control over, and understanding of, payroll-related data. Kahn offers the motivation to combine these references when it offers that keeping track of employee data allows for easier compliance with federal, state and local tax and employment requirements (col. 1 lines 26-30; col. 5 lines 24-34).

In regard to claim 7, McGurl does not disclose the network based payment processing system of claim 1, wherein said accounting process is further configured to track multiple funds corresponding to plurality of disbursement categories. Kahn discloses such a system (col. 5 lines 1-12, Col. 6 lines 1-23). It would have been obvious to one skilled in the art to combine these references because to do imparts greater capability on the McGurl system by allowing it to process not only regular payroll wage data but to also process tax and non-wage data. The motivation to combine the references is supplied by Kahn when it offers that the inclusion of this capability allows a company to more easily comply with tax rules, employment rules and company policies (col. 5 lines 24-34).

Claim 5 is rejected under 35 U.S.C. 103(a) as being unpatentable over McGurl as applied to claim 1 above, and further in view of U.S. Patent No. 6,032,133 to Hilt (hereafter Hilt).

In regard to claim 5, McGurl does not disclose a network based payment processing system of claim 1, wherein said predetermined rules include a rule denying authorization when a disbursement request has exceeded a limit. Hilt discloses a bill pay system that reads an account balance to determine if sufficient funds are available to pay a bill and denies the transaction if the available balance is not sufficient (col. 21 lines 5-12; Fig. 11 items 254, 256, 258). It would have been obvious to one skilled in the art to combine the two references because doing so prevents the issuance of checks that will not be honored due to insufficiency of funds. Hilt provides the motivation to combine these references when it is states that a check denied due to insufficient funds creates significant costs for the banks involved (col. 5 lines 14-20).

(10) Response to Argument

Appellant's arguments are addressed according to the format in which they appear in the Appeal Brief.

A. Rejection of claims 21-23 under 35 U.S.C. § 112

As stated above, the rejection of claims 21-23 under 35 U.S.C. § 112, First Paragraph have been withdrawn.

B. Rejection of claims 1-3, 8, 9 and 21 under 35 U.S.C. § 102(b)

1. Claim 1

In regard to claim 1, the Appellant contends that the Examiner "has failed to show that McGurl teaches 'an authorization process configured . . . to control verifying proper authorization of said disbursement requests . . .'" (Appeal Brief, page 7). The

Examiner maintains that McGurl anticipates claim 1, including the noted limitation, at least when claim 1 is given its “broadest reasonable interpretation in light of the supporting disclosure.” *In re Morris*, 127 F.3d 1048, 1054-55, 44 USPQ2d 1023, 1027-28 (Fed. Cir. 1997).

McGurl teaches a “Disbursement System and Method” (Title). The disbursements disclosed by McGurl are generated in response to “disbursement requests” (see col. 4, lines 16-23). For the disbursement to be effectuated, the requests must correspond to “disbursement criteria” in a database 20 (see col. 4, lines 23-32). If such a correspondence exists, the disbursement request is processed (see col. 4, lines 23-32).

“To authorize” is defined as “to give permission for” (Webster’s II New Riverside Dictionary (hereafter Webster’s)). The Specification of the instant Application neither alters nor qualifies the term beyond this definition. The Specification recites, “The authorization module is configured to apply predetermined rules which, for example, verify the authorization of the requesting party to request or approve such a request.” (Specification, paragraph [0006]). In other words, the “authorization” of the claim 1 grants permission for a requesting party to proceed with a request.

This interpretation fits squarely within the teachings of the McGurl reference, which permits a request to proceed when the request corresponds to “disbursement criteria” stored in a database (see col. 4, lines 23-32). The grant of the permission by the McGurl system anticipates the claimed “authorization.” The determination of whether the permission can be granted (i.e. the checking against “disbursement

criteria”) verifies proper authorization of the disbursement requests. In other words, if the “disbursement criteria” are not met, the system of McGurl will not verify proper authorization, that is, permission to proceed will not be granted.

Appellant contends that “The process of McGurl . . . merely ensures that the McGurl system has enough information (disbursement criteria) to process a disbursement request.” The Examiner does not take a position on whether this description reflects a full and accurate characterization of the McGurl reference, because regardless, the Appellant has failed to explain why this description does not anticipate claim 1. For reasons set forth above, the Examiner contends that ensuring proper disbursement criteria as a precondition for processing a disbursement request anticipates “an authorization process configured . . . to control verifying proper authorization of said disbursement requests.”

Alternatively, the Examiner maintains that McGurl anticipates the noted limitation through its teaching of “monitoring means 28” (see col. 6, lines 6-12). The “monitoring means” monitors the system in use, and prevents the effectuation of the disbursement if it detects a “fault condition” (see col. 6, lines 6-12). Put another way, the monitoring means is capable of granting or denying permission for the disbursement request to continue. Put yet another way, the monitoring means is an additional means for authorizing or not authorizing the disbursement.

In an attempt to distinguish the claimed “authorization process configured . . . to control verifying proper authorization of said disbursement requests,” Appellant states, “McGurl’s monitoring means occurs after the McGurl system automatically generates

disbursement commands from the disbursement request . . .” (Appeal Brief, page 8).

The Examiner agrees that McGurl’s “monitoring means” operates after the disbursement commands are generated (see McGurl, Fig. 2), nevertheless, this arrangement anticipates the noted limitation of claim 1. McGurl’s “monitoring means” operates to prevent improper disbursements from being effectuated (col. 2, lines 59-62). Therefore, the “monitoring means” determines whether the disbursements may proceed. The Examiner contends that this determination anticipates the claimed “verifying [of] proper authorization of the disbursement requests,” as that limitation would be understood by one of ordinary skill in the art.

In further regard to claim 1, Appellant contends that McGurl does not teach “an accounting process configured to track parameters pertaining to the fulfillment of authorized ones of the disbursement requests” (claim 1, lines 5-6; see also, Appeal Brief, page 8). Appellant’s Specification does not define the terms “track” and “parameters pertaining to the fulfillment of authorized ones of the disbursement requests.” The plain meaning of the term “track” is “to observe or follow the course of progress of” (www.dictionary.com). Appellant’s Specification does not give any reason to qualify or alter such an interpretation. The plain meaning of the term “parameter” is “a typical element” (Webster’s). Although the Specification does not explicitly set forth typical elements “pertaining to the fulfillment of authorized ones of said disbursement requests,” one of ordinary skill in the art would consider those elements to include, *inter alia*:

"identifying information concerning the requestor, identifying information concerning the recipient, the reason for the non-wage compensation, the amount of the non-wage compensation, reasons justifying the non-wage compensation, an approval process for the request, a category of funds (sic funds?) payment of the request is withdrawn from, and any other information considered pertinent to the non-wage compensation request or payment" (Specification, [0011]); and "Predetermined rules for reviewing, checking, validating and verifying the information contained in the non-wage compensation request" (Specification, [0011]).

Although limitations appearing in the specification but not recited in the claim should not be read into the claim, *E-Pass Techs., Inc. v. 3Com Corp.*, 343 F.3d 1364, 1369, 67 USPQ2d 1947, 1950 (Fed. Cir. 2003), the Examiner notes that the Specification does set forth an "accounting module 304," which "may determine whether sufficient funds are available to honor the compensation request." (Specification, [0023]). Therefore, according to the Specification, the term "parameters" may correspond to the disclosed "funds." The Examiner further notes that the Appellant has not argued such an interpretation in the Appeal Brief.

Therefore, to anticipate the claimed "accounting process configured to track parameters pertaining to the fulfillment of authorized ones of the disbursement requests," when that limitation is given its broadest reasonable interpretation in light of the supporting specification, a prior art reference must include a system capable of observing or following the course of progress of a typical element related to a disbursement request, which element may include funds.

The Examiner maintains that McGurl's disclosure anticipates Appellant's claimed "accounting process configured to track parameters pertaining to the fulfillment of authorized ones of the disbursement requests," when that limitation is given either its broadest reasonable interpretation, or it's narrower interpretation implied by the Specification.

McGurl discloses the storing, retrieval, and auditing of "information used to generate the disbursement requests" (col. 5, lines 35-40). The "auditing" includes an "audit generating means 26" (col. 5, lines 35-40). The term "audit" is defined as "an examination or verification of financial records or accounts" (Webster's). The definition comports with the disclosure of McGurl, which teaches the "auditing means" as used "for generating disbursement and/or other financial reports based upon the disbursement information and criteria stored in database 20" (col. 5, lines 60-64). McGurl's "audit generating means" observes, or follows the course of progress of the information contained in the reports it generates. The observed information anticipates Appellant's claimed "parameters" in that it includes typical elements related to a disbursement request, such as the predetermined rules for authorizing the disbursement request (see col. 5, lines 60-64).

Moreover, McGurl anticipates the narrower (although not claimed) interpretation of the noted limitation. McGurl teaches the generation of audit reports—reports related to the examination or verification of financial records or accounts. When the reports are generated and viewed, they inform the viewer of the status of financial records or accounts and funds related to the effectuation of the disbursement request.

The Appellant argues, "Merely to store disbursement information, as the cited portions of McGurl describe, is not the same as to track parameters pertaining to the fulfillment of authorized ones of the disbursement requests." (Appeal Brief, page 8). The Appellant has not, however, supported this assertion. Appellant has not argued why the "disbursement information" of McGurl is different than the claimed "parameters pertaining to the fulfillment of authorized ones of the disbursement requests," or why the auditing and generating of reports based on the "disbursement information" does not anticipate the tracking that information. Indeed, Appellant explicitly acknowledges McGurl's "audit generating means" (see Appeal Brief, page 8), but does not distinguish it from the present invention.

It is noted that throughout his arguments, the Appellant has cited specific portions of the McGurl reference that were cited in Final Rejection, however, the Appellant has not considered the reference in its entirety. The Examiner maintains that when the McGurl reference is taken as a whole, it anticipates the limitations of claim 1 as set forth above.

2. Claims 2, 3, 8 and 9.

In regard to the rejection of claims 2, 3, 8 and 9, the Appellant relies on alleged deficiencies of McGurl cited with respect to claim 1. Because the rejection of claim 1 is maintained as set forth above, the rejection of claims 2, 3, 8 and 9 are similarly maintained.

3. Claim 21.

In regard to claim 21, the Appellant contends that McGurl fails to disclose the following limitation: "wherein at least one individual originates said disbursement requests and said authorization process includes a determination whether approval is required from at least one individual different from said at least one individual that originates said disbursement request." (Appeal Brief, page 9). To the contrary, McGurl discloses the input of the disbursement request into the system via "means 12 for receiving individual disbursement requests" (see FIG. 1, col. 4, lines 52-55). This information originates "from conventional user data entry means/control means 14 and/or external application program interface/conversion means 16." The Examiner contends that the "external application program interface/conversion means 16" constitutes at least one individual. Subsequently, the system of McGurl determines whether approval is required for the disbursement request to be fulfilled. This feature is illustrated in column 4, lines 16-44 of McGurl, which states:

"Preferably, the generator means 18 accomplishes the [automatic generation of the individual payment disbursement] by automatically determining the type of the individual request by querying the database 20 as to whether the payee name, type, and/or group data of the individual request received from receiving means 12 corresponds to disbursement criteria currently found in the database 20. . . . If such correspondence is not found to exist, the user may be prompted by the preview means 30 . . . to supply the missing information . . ."

The Examiner contends that the "user" constitutes at least one individual different from said at least one individual that originates said disbursement requests.

C. Rejection of claims 10-20, 22 and 23 under 35 U.S.C. § 102(e).

At the outset, it is noted that with respect to the rejection of claims 10-20, 22 and 23 as anticipated by Kahn, the Appellant has cited specific portions of the Kahn reference that were cited in Final Rejection, however, the Appellant has not considered the reference in its entirety.

1. Claim 10

In regard to claim 10, Appellant contends that Kahn does not "disclose rules that authorize the disbursement request." (Appeal Brief, page 10). To the contrary, Kahn explicitly recites, "The system's back-end payroll service functionality generates disbursement information for payments ... subject to compliance with the system's database of rules" (Abstract, lines 33-39), and further "effects such transfers at the appropriate times" (col. 6, lines 8-13). In regard to this recitation, the Appellant contends that "The disbursement of information subject to database rules does not teach applying predetermined rules to authorize the disbursement request (Appeal Brief, page 11), however, Appellant has not provided reasons to support this conclusion. The Examiner maintains that when the "back-end payroll" system disburses information "subject to compliance with the system's database of rules," the system is applying those rules to determine whether the information can proceed, and whether the disbursement payments can be made. The compliance with the rules is a precondition of the transfer

of funds, that is, the application of the rules determines whether the transfer is authorized.

In further regard to claim 10, Appellant recites, "Claim 10 also recites, 'supervising the proper approval based on applied ones of said authorization rules . . .'" (Appeal Brief, page 11). It is unclear whether Appellant argues that Kahn lacks this limitation. Nevertheless, Kahn discloses that the rules which must be complied with include tax-related and employment-related rules (see col. 5, lines 24-35). Kahn further discloses that these rules are monitored and updated to ensure that the system is applying the appropriate approval (see col. 5, lines 24-35). The Examiner maintains that this teaching supervises, or oversees the proper approval based on the applied rules.

2. Claims 11-18

In regard to the rejection of claims 11-18, the Appellant relies on alleged deficiencies of Kahn cited with respect to claim 10. Because the rejection of claim 10 is maintained as set forth above, the rejection of claims 11-18 are similarly maintained.

a. Claim 13

In regard to claim 13, the Appellant contends that Kahn does not "teach predetermined rules [that deny] authorization of the request when a requesting party is identical to a receiving party." (Appeal Brief, page 12). To the contrary, Kahn explicitly discloses various security levels for limiting access by an employee to the system (see e.g. col. 13, lines 43-57). This disclosure suggests denying authorization when, for

example, an employee inputs a request to pay himself. With respect to this rejection, Appellant has again cited only portions of the Kahn reference, and failed to consider the reference in its entirety.

b. Claim 14

In regard to claim 14, the Appellant argues that "Merely checking overtime hours to ensure overtime limits are not exceeded, as described in Kahn, does not teach "predetermined rules [that deny] authorization of the request when the request exceeds a maximum authorization amount." (Appeal Brief, page 12). To the contrary, column 14, lines 56-59 of Kahn teaches the determination of whether an employee's overtime hours exceed an authorized maximum number. This determination is made as part of a stored procedure through which the rules of the system are carried out (see col. 14, lines 8-25 and 44-45), and if the stored procedure determines that the maximum is exceeded, the transaction is not authorized because it is not compliant with the rules. With respect to this rejection, Appellant has again cited only portions of the Kahn reference, and failed to consider the reference in its entirety.

c. Claim 15

In regard to claim 15, the Appellant argues that Kahn does not "teach the limitations of claim 15 requiring predetermined rules [that deny] authorization of the request when the request is not complete." (Appeal Brief, page 12). To the contrary, the

Examiner maintains that this limitation is expressly anticipated by column 40, lines 29-43 of Kahn.

3. Claim 19

In regard to claim 19, the Appellant contends that "Appellee has not identified, in Kahn, an authorization module configured to control proper authorization." (Appeal Brief, page 14). As set forth in the Final Rejection, a "module" is "one of a series of standardized units or components that function together in a system" (Webster's). The Appellant's Specification does not provide any reason why this interpretation would not be reasonable to one of ordinary skill in the art in light of the supporting specification. Nor does the Appeal Brief provide reasons why this interpretation conflicts with the claimed invention. The Final Rejection identified Kahn's "back-end service" as a anticipating the claimed "authorization module." (Final Rejection, pages 14-15). Kahn teaches a system, wherein the "back-end service" is a component of the system configured to accept payment requests, for example, requests by employees or requests for payments to retirement benefit providers (see col. 5, lines 41-50). The disbursements of the payments are "subject to compliance with the ... database of rules" (see col. 6, lines 1-13). Therefore, subject to the rules, the disbursement is effected or not effected, that is, authorized or not authorized to proceed.

Appellant further contends that "the rules to which Appellee refers, are rules that do not pertain to proper authorization, but rather to calculating the correct amount of the disbursement." (Appeal Brief, page 14). This assertion fails for two reasons. First,

Appellant has failed to provide reasons why compliance with the calculation rules disclosed by Kahn does not anticipate the claimed "proper authorization of payment requests to provide approved payments." Second, Appellant has failed to consider other rules disclosed by Kahn, which rules do not relate to calculation (see e.g. col. 14, lines 8-19). Kahn recites to following:

"the system applies a legal compliance rule that will determine that ail (sic an?) employee who contributes \$1000 per monthly paycheck to her 401(k) account has exceeded the annual \$10,000 limit, and accordingly, will notify the user regarding processing of the additional \$2000 contribution" (col. 14, lines 14-19).

Therefore, the system of Kahn ensures compliance with a legally-defined contribution limit. If the limit is not exceeded, the system of Kahn allows the disbursement to proceed. If the limit is exceeded, the user is notified, and the disbursement does not proceed, that is, it is not approved nor authorized. The Examiner maintains that Kahn's teaching of a system that ensures compliance with "system-defined rules related to such functionality as overtime calculation . . . , payment calculation, tax calculation, reporting, and legal compliance" (col. 14, lines 8-19) anticipates "an authorization module configured to control proper authorization of said payment requests to provide approved payments." (Claim 19).

a. Claims 20, 22 and 23

In regard to the rejection of claims 20, 22 and 23, the Appellant relies on alleged deficiencies of Kahn cited with respect to claims 10 and 19. Because the rejection of

claims 10 and 19 is maintained as set forth above, the rejection of claims 20, 22 and 23 is similarly maintained.

i. Claim 20

In further regard to claim 20, the Appellant contends that Kahn does not teach "a routing module configured to obtain authorization of the payment from a number of authorization individuals." (Appeal Brief, page 15). The Appellant again has failed to consider the Kahn reference as a whole. Kahn discloses this limitation, for example, when it ensures compliance with provisions required by tax authorities (see e.g. Abstract).

ii. Claim 22

In further regard to claim 22, the Appellant contends that Kahn does not teach a system "wherein at least one individual originates the disbursement request and said predetermined rules include determining whether approval is required from at least one individual different from said at least one individual originating the disbursement request." (Appeal Brief, page 15). To the contrary, Kahn discloses a first individual, such as an Employer or Employee, originating a disbursement request (see col. 5, lines 12-23; col. 5, lines 35-66). Kahn further discloses said predetermined rules including a determination of whether approval is required from a second individual, such as the system itself, in order for the disbursement request to be fulfilled. This determination is illustrated in Figure 43, and its accompanying description in column 50, lines 8-15 of

Kahn. In this disclosure, approval of sufficient funds by the system is required for the disbursement to proceed. Moreover, as set forth above, the rules of Kahn include a determination of whether approval is required by tax authorities, legal authorities, etc., and if so, the system of Kahn ensures compliance with those authorities' requirements. The Examiner maintains that these authorities are individuals that require approval and are different from the individuals that originate the disbursement request.

iii. Claim 23

In further regard to claim 23, the Appellant argues the same alleged deficiencies of Kahn as he did with respect to claim 22. Because those arguments were rebutted with respect to claim 22, they are similarly rebutted with respect to claim 23.

D. Rejections under 35 U.S.C. § 103(a)

The Appellant contends that the rejection of claims 4, 6 and 7 as obvious over McGurl in view of Kahn is improper. The Appellant further contends that the rejection of claim 5 as obvious over McGurl in view of Hilt is improper (Appeal Brief, pages 16-17). With respect to the obviousness rejections of claims 4, 6 and 7, it is noted that the Appellant has not refuted the combination of McGurl and Kahn, but rather relies on alleged deficiencies in the Kahn reference. These allegations are addressed below.

1. Claim 4

In regard to claim 4, the Appellant contends that Kahn fails to disclose predetermined rules that deny authorization of the request when a requesting party is identical to a receiving party. (Appeal Brief, page 17). To the contrary, Kahn explicitly discloses various security levels for limiting access by an employee to the system (see e.g. col. 13, lines 43-57). This disclosure suggests denying authorization when, for example, an employee inputs a request to pay himself. With respect to this rejection, Appellant has again cited only portions of the Kahn reference, and failed to consider the reference in its entirety.

2. Claim 5

In regard to claim 5, the Appellant relies on alleged deficiencies of claim 1. Because the rejection of claim 1 is maintained, the rejection of claim 5 is similarly maintained.

3. Claim 6

In regard to claim 6, the Appellant contends that the accounting process of Kahn does not include logic for tracking multiple awards. (Appeal Brief, page 17). To the contrary, Kahn discloses the storing and tracking of "periodic earnings information (e.g., bonuses, commissions, tips, etc.) . . ." (col. 11, line 59 – col. 12, line 10), and a computer program product, which inherently includes logic, for carrying out the accounting features of the system (see e.g. Kahn, claim 16).

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4. Claim 7

In regard to claim 7, the Appellant contends that the accounting process of Kahn is not "configured to track multiple funds corresponding to a plurality of disbursement categories." (Appeal Brief, page 18). To the contrary, Kahn teaches a system configured to track multiple funds (e.g. funds of "various payers," including employers, employees, contractors, etc.) corresponding to a plurality of disbursement categories (e.g. payroll, third party providers, miscellaneous payees, etc.). (See e.g. col. 5, lines 1-12, col. 6, lines 1-23). The Appellant has failed to distinguish these teachings of Kahn from the claimed invention.

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,
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April 3, 2008

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